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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-909]

Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration,  
Department of Commerce.

SUMMARY: The Department of Commerce (“Department”) published the *Preliminary Results* of the fifth administrative review of certain steel nails (“nails”) from the People’s Republic of China (“PRC”) on September 30, 2014.<sup>1</sup> We gave interested parties an opportunity to comment on the *Preliminary Results*. Based upon our analysis of the comments and information received, we made changes to the margin calculations for these final results. The final dumping margins are listed below in the “Final Results of the Administrative Review” section of this notice. The period of review (“POR”) is August 1, 2012, through July 31, 2013.

DATES: Effective Date: [**INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER**]

FOR FURTHER INFORMATION CONTACT: Matthew Renkey or Susan Pulongbarit, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230; telephone 202-482-2312 or 202-482-4031, respectively.

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<sup>1</sup> See *Certain Steel from the People’s Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2012–2013*, 79 FR 58744 (September 30, 2014) (“*Preliminary Results*”), and accompanying Preliminary Decision Memorandum.

## SUPPLEMENTARY INFORMATION:

### Background

The Department published the *Preliminary Results* on September 30, 2014.<sup>2</sup> On February 9, 2015, we released the sales and factors of production (“FOP”) verification reports for Stanley.<sup>3</sup> Between February 12 and February 24, 2015, interested parties submitted case and rebuttal briefs. On January 20, 2015, the Department extended the deadline for the final results to March 30, 2015.<sup>4</sup>

### Scope of the Order

The merchandise covered by the order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.<sup>5</sup> While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.<sup>6</sup>

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<sup>2</sup> See *Preliminary Results*.

<sup>3</sup> The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively “Stanley”); see the memoranda to the file “Verification of the Questionnaire Responses of Stanley Black & Decker, Inc. (“SBD”) in the 2012-2013 Antidumping Duty Review of Certain Steel Nails from the People’s Republic of China (“PRC”),” and Verification of the Questionnaire Responses of The Stanley Works (Langfang) Fastening Systems Co., Ltd. (“Stanley Langfang”) in the 2012-2013 Antidumping Duty Review of Certain Steel Nails from the People’s Republic of China (“PRC”), both dated February 9, 2015.

<sup>4</sup> See Memorandum to Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office V, Antidumping and Countervailing Duty Operations from Matthew Renkey, Senior International Trade Compliance Analyst, Office V, Antidumping and Countervailing Duty Operations regarding Certain Steel Nails from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review, dated January 20, 2015.

<sup>5</sup> The Department recently added the Harmonized Tariff Schedule category 7907.00.6000, “Other articles of zinc: Other,” to the language of the *Order*. See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office 9, Antidumping and Countervailing Duty Operations, regarding “Certain Steel Nails from the People’s Republic of China: Cobra Anchors Co. Ltd. Final Scope Ruling,” dated September 19, 2013.

<sup>6</sup> See “Certain Steel Nails from the People’s Republic of China: Issues and Decision Memorandum for the Final Results of the Fifth Antidumping Duty Administrative Review,” dated concurrently with and hereby adopted by this notice (“Issues and Decision Memorandum”), for a complete description of the Scope of the Order.

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this review are addressed in the Issues and Decision Memorandum. A list of the issues which parties raised is attached to this notice as an appendix. The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit (“CRU”), Room 7046 of the main Department of Commerce building, as well as electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“ACCESS”).<sup>7</sup> ACCESS is available to registered users at <http://access.trade.gov> and in the CRU. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

### Changes Since the *Preliminary Results*

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, we revised the margin calculation for Stanley. Accordingly, for the final results, the Department has updated the margin to be assigned to companies eligible for a separate rate as the weighted average of the revised calculated margins of the mandatory respondents.<sup>8</sup> The Surrogate Values Memo contains further explanation of our changes to the surrogate values selected for Stanley’s and Xi’an Metals & Minerals Import & Export Co. Ltd.’s (“Xi’an Metals”) factors of production.<sup>9</sup>

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<sup>7</sup> On November 24, 2014, Enforcement and Compliance changed the name of its centralized electronic service system to ACCESS. The website location was changed from <http://iaaccess.trade.gov> to <http://access.trade.gov>. The Final Rule changing the references to the centralized electronic service system to ACCESS in the Department’s regulations can be found at 79 FR 69046 (November 20, 2014).

<sup>8</sup> See *Preliminary Results*.

<sup>9</sup> See Memorandum to the File, through Scot T. Fullerton, Program Manager, Office V, Enforcement and Compliance, from Susan Pulongbarit, Senior International Trade Analyst, Office V, Enforcement and Compliance,

## Final Determination of No Shipments

In the *Preliminary Results*, the Department preliminarily determined that Besco Machinery Industry (Zhejiang) Co., Ltd., Certified Products International Inc. (“CPI”), Hebei Cangzhou New Century Foreign Trade Co., Ltd. (“New Century”), Huanghua Xionghua Hardware Products Co., Ltd., Jining Huarong Hardware Products Co., Ltd., Shandong Oriental Cherry Hardware Import & Export Co., Ltd., Shanghai Jade Shuttle Hardware Tools Co., Ltd., Shanghai Tengyu Hardware Tools Co., Ltd., Tianjin Jinchi Metal Products Co., Ltd., and Zhejiang Gem-Chun Hardware Accessory Co., Ltd. did not have any reviewable transactions during the POR.<sup>10</sup> Consistent with the Department’s refinement to its assessment practice in non-market economy (“NME”) cases, we completed the review with respect to the above-named companies.<sup>11</sup> With respect to New Century, we obtained information from CBP indicating that it had reviewable transactions during the POR, which contradicts its no-shipment certification. Consequently, the Department is now treating New Century as part of the PRC-wide entity for the final results. For a full discussion of our findings and determination with respect to New Century, *see* the Issues and Decision Memorandum at Comment 10. Based on the certifications submitted by the remaining aforementioned companies, and our analysis of CBP information, we continue to determine that these companies did not have any reviewable transactions during the POR. As noted in the “Assessment Rates” section below, the Department intends to issue

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regarding Fifth Antidumping Administrative Review of Certain Steel Nails from the People’s Republic of China: Surrogate Values for the Final Results, dated concurrently with and hereby adopted by this notice (Surrogate Values Memo).

<sup>10</sup> *See Preliminary Results*. In those *Preliminary Results*, Jining Huarong Hardware Products Co., Ltd. and Shandong Oriental Cherry Hardware Import & Export Co., Ltd. were inadvertently identified as part of the PRC-wide entity instead of companies reporting no shipments during the POR in the appendix to the Preliminary Decision Memorandum. We are correcting this error for the final results. *See* the Issues and Decision Memorandum at “Additional Correction of Clerical Errors.”

<sup>11</sup> *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-65695 (October 24, 2011).

appropriate instructions to CBP for the above-named companies based on the final results of the review.

#### Final Results of the Review

The weighted-average dumping margins for the final results of this administrative review are as follows:

Exporter	Weighted-Average Margin (Percent)
Stanley	13.19
Xi'an Metals	72.52
Chiieh Yung Metal Ind. Corp.	16.62
Dezhou Hualude Hardware Products Co., Ltd.	16.62
Huanghua Jinhai Hardware Products Co. Ltd.	16.62
Nanjing Yuechang Hardware Co., Ltd.	16.62
Qingdao D&L Group Ltd.	16.62
Qingdao JISCO Co., Ltd.	16.62
SDC International Aust. PTY. LTD.	16.62
Shandong Dinglong Import & Export Co., Ltd.	16.62
Shandong Oriental Cherry Hardware Group Co., Ltd. <sup>12</sup>	16.62
Shanghai Curvet Hardware Products Co., Ltd.	16.62
Shanghai Yueda Nails Industry Co., Ltd.	16.62
Shanxi Hairui Trade Co., Ltd.	16.62
Shanxi Pioneer Hardware Industrial Co., Ltd.	16.62
Shanxi Tianli Industries Co., Ltd.	16.62
S-Mart (Tianjin) Technology Development Co., Ltd.	16.62
Suntec Industries Co., LTD.	16.62

<sup>12</sup> In the *Preliminary Results*, the Department inadvertently excluded Shandong Oriental Cherry Hardware Group Co., Ltd., in identifying companies establishing eligibility for a separate rate. We are correcting this error for the final results. See the Issues and Decision Memorandum at “Additional Correction of Clerical Errors.”

Tianjin Jinghai County Hongli Industry and Business Co., Ltd.	16.62
Tianjin Lianda Group Co., Ltd.	16.62
Tianjin Universal Machinery Imp. & Exp. Corporation	16.62
Tianjin Zhonglian Metals Ware Co., Ltd.	16.62
PRC-Wide Entity <sup>13</sup>	118.04

### Disclosure

The Department will disclose calculations performed for these final results to the parties within five days of the date of publication of this notice, in accordance with section 351.224(b) of the Department's regulations.

### Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended ("the Act") and 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this administrative review.

For assessment purposes, where the respondent reported reliable entered values, we calculated importer (or customer)-specific assessment rates for merchandise subject to this review. We will continue to direct CBP to assess importer-specific assessment rates based on the resulting per-unit (*i.e.*, per kilogram (kg)) rates by the weight in kgs of each entry of the subject merchandise during the POR. Specifically, we calculated importer-specific duty assessment rates on a per-unit rate basis by dividing the total dumping margins (calculated as the difference between normal value and export price, or constructed export price) for each importer by the

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<sup>13</sup> The PRC-wide entity now includes New Century. See Appendix to the Issues and Decision Memorandum accompanying this notice for a list of the companies receiving the PRC-wide rate.

total sales quantity of subject merchandise sold to that importer during the POR.<sup>14</sup> If an importer (or customer)-specific assessment rate is *de minimis* (i.e., less than 0.50 percent), the Department will instruct CBP to assess that importer (or customer's) entries of subject merchandise without regard to antidumping duties, in accordance with 19 CFR 351.106(c)(2).

The Department announced a refinement to its assessment practice in NME cases. Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. In addition, if the Department determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number will be liquidated at the PRC-wide rate.<sup>15</sup>

The Department determines that Besco Machinery Industry (Zhejiang) Co., Ltd., Certified Products International Inc. ("CPI"), Huanghua Xionghua Hardware Products Co., Ltd., Jining Huarong Hardware Products Co., Ltd., Shandong Oriental Cherry Hardware Import & Export Co., Ltd. ("Oriental Cherry"), Shanghai Jade Shuttle Hardware Tools Co., Ltd., Shanghai Tengyu Hardware Tools Co., Ltd., Tianjin Jinchi Metal Products Co., Ltd., and Zhejiang Gem-Chun Hardware Accessory Co., Ltd. did not have any reviewable transactions during the POR. As a result, any suspended entries that entered under these exporters' case numbers (i.e., at that exporter's rate) will be liquidated at the PRC-wide rate.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or

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<sup>14</sup> See 19 CFR 351.212(b)(1).

<sup>15</sup> See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011); see also Preliminary Decision Memorandum, at 4-5.



withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be the rate established in the final results of review (except, if the rate is zero or *de minimis*, i.e., less than 0.5 percent, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 118.04 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. The deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

#### Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby

requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these administrative reviews and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: March 30, 2015.

Paul Piquado,  
Assistant Secretary for Enforcement and Compliance.

## Appendix

### List of Topics Discussed in the Issues and Decision Memorandum

Summary

Background

Scope of the Order

Discussion of the Issues

Comment 1: Selection of the Surrogate Country

Comment 2: Steel Wire Rod SV Source

Comment 3: Which HTS Categories to Use for the SV for Steel Wire Rod

Comment 4: Treatment of Two Labor-Related Line Items in the Financial Ratio Calculations

Comment 5: Brokerage and Handling

Comment 6: Letter of Credit Adjustment

Comment 7: Consideration of an Alternative Comparison Method in Administrative Reviews

Comment 8: Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Less-than-Fair-Value Investigations

Comment 9: Application of the Differential Pricing Analysis

Comment 10: Hebei Cangzhou New Century Foreign Trade Co., Ltd.'s Status as a No Shipments Company

Comment 11: Correction of a Clerical Error in Not Listing Tianjin Lianda as a Separate Rate Company

Comment 12: SV for Stanley's Plastic Beads

Comment 13: SV for Stanley's Chromate, Chromium Trioxide

Comment 14: SV for Stanley's Thermal Transfer Ribbon

Comment 15: Use of Customer Code or Common Customer Code in the Cohen's *d* Test to Identify the Purchaser in Stanley's Margin Program

Comment 16: Stanley's Use of Steam and Gasoline

Comment 17: Scrap Offset for Stanley's Toller A

Comment 18: Scrap Offset for Stanley's Toller B

Comment 19: Correction of a Ministerial Error Pertaining to Freight Revenue in Stanley's Margin Calculation Program

Comment 20: Usage Rates for Three Chemical Inputs Used by Toller A in the Pickling and Phosphating Process

Recommendation